

FISCAL NOTE

HB 2051 - SB 2150

March 16, 2005

SUMMARY OF BILL: Makes “tobacco distributor” or “person” as defined in TCA 47-25-302 the same as “tobacco distributor” as defined in TCA 67-4-1001(15). Requires a retailer participating in a manufacturer’s incentive, discount price, or special price program to mail a copy of evidence of participation in such a program to the Department of Revenue within thirty (30) days of the date of participation.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$50,500 One-Time
\$43,500 Recurring**

Assumptions:

- Enactment of this bill would require development of new forms to be used on the Revenue Integrated Tax System (RITS), computer programming changes, and software modifications estimated as a one-time state expenditure of \$47,000.
- One new position (ASA4) will be required in Taxpayer Services (TPS) to aid in the enforcement of fair competition among retailers and to receive, organize, and complete data entry of related incentive paperwork. One-time expenditures associated with the new position is estimated at \$3,500. Recurring state expenditures for salary and benefits are estimated at \$43,500 per year.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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